# HOUSE BILL REPORT HB 1574

## As Reported by House Committee On:

**Judiciary** 

**Title**: An act relating to disposing property in the leased premises of a deceased tenant.

**Brief Description**: Creating procedures for disposing property in the leased premises of a deceased tenant.

**Sponsors**: Representatives Rodne, Wylie, Shea, Johnson, Muri, Stanford and Jinkins.

### **Brief History:**

#### **Committee Activity:**

Judiciary: 2/4/15, 2/12/15 [DP].

# **Brief Summary of Bill**

• Establishes procedures for the disposition of the personal property of a residential tenant upon the death of the tenant.

#### HOUSE COMMITTEE ON JUDICIARY

**Majority Report**: Do pass. Signed by 13 members: Representatives Jinkins, Chair; Kilduff, Vice Chair; Rodne, Ranking Minority Member; Shea, Assistant Ranking Minority Member; Goodman, Haler, Hansen, Kirby, Klippert, Muri, Orwall, Stokesbary and Walkinshaw.

**Staff**: Edie Adams (786-7180).

#### Background:

The Residential Landlord-Tenant Act (RLTA) regulates the creation of residential tenancies and the relationship between landlords and tenants of residential dwelling units. The RLTA establishes rights and duties of both tenants and landlords, procedures for the parties to enforce their rights, and remedies for violations of the act.

The RLTA addresses a landlord's obligations with respect to the property of a tenant under two circumstances: when the tenant has been evicted under the unlawful detainer process;

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and when the tenant has abandoned the tenancy. The RLTA does not specifically address what procedures a landlord must use with respect to a deceased tenant's property.

The abandoned tenancy statute provides that a landlord may take immediate possession of the tenant's personal property and store the property in a reasonably secure place once there has been a default in the payment of rent and the landlord determines that the tenancy is abandoned. The landlord must make reasonable efforts to notify the tenant of where the property is stored and the date of any sale or disposal of the property. The landlord may sell or dispose of the stored property if the tenant does not claim the property within 45 days of the notice. The landlord may apply the proceeds of the sale against amounts due to the landlord, including storage costs, and must hold excess proceeds for the benefit of the tenant for one year.

# **Summary of Bill**:

A new provision is added to the RLTA addressing the disposition of a tenant's personal property in the event of the death of the tenant.

Upon written request of a landlord, or upon the tenant's own initiative, a tenant may designate a person for the landlord to contact in the event of the tenant's death. The tenant may also sign a statement authorizing the landlord to allow the designated person to remove and dispose of the tenant's property consistent with the tenant's intent and any applicable law or will, and to refund the tenant's deposits to the designated person for the benefit of the tenant's estate. A designated person is liable to the tenant's estate for any property received. A designated person is appointed for two years and subject to reappointment.

Unless the landlord and tenant agree to a different procedure in a written agreement, upon the death of a tenant who is the sole occupant of the premises, the landlord must:

- provide written notice of the tenant's death to any designated representative and emergency contact, and to the deceased tenant at the address of the leased premises. The notice must advise the recipients that the designated representative has 14 days to remove the tenant's property or make arrangements for removal of the property at a later date, and that failure to do so terminates the tenancy and allows the landlord to remove the tenant's property and store it in a reasonably secure place;
- turn over possession of the tenant's property to the designative representative or any other person lawfully entitled to the property within the 14 day period or other date agreed by the parties;
- refund any unearned rent and the tenant's deposits to the designative representative or any other person lawfully entitled to the refund, less lawful deductions including reasonable costs of removal and storage of the property; and
- if the tenant's property is stored, send a second written notice to any designated representative and emergency contact, and to the deceased tenant at the address of the leased premises, stating that the landlord may sell or dispose of the property on or after a specified date that is no earlier than 30 days after the second notice is mailed.

A person who removes a tenant's property from the leased premises must create and sign an inventory of the property removed and acknowledge that he or she has been given possession, but not ownership, of the property.

If the tenant fails to designate a person upon request of a landlord, or 45 days have elapsed since the death of the tenant and the landlord has not received notice from a personal representative of an intent to administer the tenant's estate, the landlord is not responsible for the property in the tenant's leased premises.

A landlord who knowingly violates the act or fails to facilitate the administration of the deceased tenant's estate is liable to the estate for actual damages. A landlord who complies with the act is relieved from liability relating to the deceased tenant's property.

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**Appropriation**: None.

**Fiscal Note**: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the

bill is passed.

# **Staff Summary of Public Testimony:**

(In support) This legislation is in response to a situation involving the death of a young man where the landlord sent a notice to the deceased tenant that he had abandoned his property, and then the parents had to pay the landlord to get the property back. The legislation creates a process that gives certainty to both landlords and tenants alike. Currently, landlords only have the option of using the abandoned property statute. It is intellectually dishonest to send a letter to a deceased person informing the person that he or she has abandoned his or her property, but that is the only way landlords can protect themselves currently. The bill allows the tenant to designate who the tenant wants his or her property to go to, and provides that the landlord has a duty to contact and give the property to that designated person.

(Opposed) This bill raises many of the same concerns as prior bills on this topic. The parties should negotiate a bill that is acceptable to all sides. This bill is getting into probate and estate issues; in essence it is creating a will. This bill will create an incredibly overcomplicated process for landlords. The abandoned property process works well. It allows the landlord to store and protect the property. The landlord can charge storage costs, which is appropriate.

**Persons Testifying**: (In support) Representative Rodne, prime sponsor; Chester Baldwin, Washington Rental Owners Association; and Kathryn Hedrick, Washington Multi-Family Housing Association.

(Opposed) Tim Seth, Washington Landlord Association; and Greg Provanzano, Columbia Legal Services.

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Persons Signed In To Testify But Not Testifying: None.